

BUDGET LETTER

SUBJECT: HIRING FREEZE	NUMBER: 01-43
REFERENCES: EXECUTIVE ORDER D-48-01, MANAGEMENT MEMO 01-21	DATE ISSUED: November 7, 2001
	SUPERSEDES:

TO: Agency Secretaries
Department Directors
Departmental Budget Officers
Departmental Accounting Officers
Department of Finance Budget Staff

FROM: DEPARTMENT OF FINANCE

BUDGET OFFICERS ARE REQUESTED TO FORWARD A COPY OF THIS BUDGET LETTER TO DEPARTMENTAL HUMAN RESOURCES AND LABOR RELATIONS OFFICES.

This Budget Letter provides instructions to departments for requesting exemptions to the Hiring Freeze pursuant to Management Memo 01-21.

A. Background

Executive Order D-48-01 prohibits departments from filling vacancies that would constitute a new hire to State Government through June 30, 2003. Agency Secretaries and other cabinet level officers are responsible for administering and ensuring compliance with the provisions of this Executive Order. For those departments that are not represented by cabinet, the Department of Finance (Finance) is responsible for ensuring compliance.

Any requests for exemption from provisions of the hiring freeze must be approved by Finance.

Pursuant to Management Memo 01-21, other than those appointments excluded from the hiring freeze, new hires to State Government shall include all of the following, unless exempted by the Department of Finance:

1. Appointments of any persons not currently employed by the State, including permissive reinstatements, limited term appointments, temporary authorization appointments (TAU), and retired annuitant appointments.
2. Increases in time base.
3. Promotions for current permanent or probationary employees (excluding Promotions-in-Place). Promotions-in-Place occur where all of the following conditions are met:
 - a. There is no true vacancy.
 - b. There is no change of position, assignment, or supervisory/subordinate relationship of the employee.
 - c. The promotion is clearly identified as typical in cases where the employee is to move to the next higher level in a class.

4. Appointments of seasonal employees.
5. Appointments of permanent intermittent employees.
6. Appointments of current employees to positions in addition to their current position(s).
7. Interdepartmental transfers of permanent or probationary employees.

B. Instructions

Agencies, departments, and other State entities requesting an exemption to the hiring freeze must submit a Request for Hiring Freeze Exemption (DF-160, attached) to their Finance Budget Analyst. An electronic version of the DF-160 is available with this budget letter on the Department of Finance website, under Information for Governmental Agencies, Budget Letters at: <http://www.dof.ca.gov/html/budletr/budlets.htm>

It is not necessary to request an exemption for those appointments excluded from the hiring freeze. Please refer to Management Memo 01-21 for a description of the appointments excluded from the hiring freeze. Appointments effective on or after October 23, 2001, which are based on prior commitments, are exempt from the hiring freeze and, as a result, do not require a DF-160.

Please submit three hard copies of each request to your Finance Budget Analyst. **The electronic submission of forms (i.e., e-mail) will not be accepted. Incomplete requests will not be considered and will be returned to agencies (where applicable), departments, or other State entities.**

Request Date and Request Number: Include date of submittal and request number (e.g., 0001, 0002).

Attachments: Indicate whether attachments are included and enter the total number of pages, including the DF-160.

Section A: Indicate the type of exemption.

NOTE: Departments may request only one exemption type per Hiring Freeze Exemption Request, but may request more than one position per submittal (see Section F below) if the information provided in Sections B, C, and D applies to all affected positions. If it is not possible to identify the type of exemption (i.e., the candidate has not been selected), indicate "other" and provide an explanation.

Section B: Provide a justification for the exemption from the hiring freeze.

Section C: Describe the consequences that will occur if the exemption is not granted.

Section D: State whether or not the approval of this exemption will result in future exemptions (e.g., expand a program that will require further staffing as a result of this exemption).

NOTE: The space provided for the descriptions in Sections B, C, and D will expand as necessary when using the automated version of this form.

Section E: Identify the funding source for the exemption request by allocating the estimated annual salary of each position by Item of Appropriation (Organization – Reference – Fund, XXXX - XXX - XXXX). If the funding source is different for requests addressing multiple positions, departments must attach supporting schedules indicating the annual salary and funding source for each position.

Section F: Indicate the position number, classification title, salary range, and requested effective date for the applicable position for which the hiring freeze exemption is requested. For requests addressing more

than one position, departments must attach supporting schedules to reflect the required information for each position.

Section G: Departments reporting to agency secretaries must include the request approval (signature) of both the department director and the agency secretary (or authorized designees). Departments and other State entities not represented by a cabinet level officer must include the approval of the department director or other authorized designee.

Contact Person: Provide the name and telephone number of the person who can respond to questions.

C. Approval

Upon submittal of the DF-160 to your Finance Budget Analyst, Finance will review the request and notify agencies, departments, and other State entities, as appropriate, of the approval or denial of the request. Approval of Hiring Freeze Exemptions is delegated to the appropriate Finance Program Budget Manager.

D. Compliance

Agency Secretaries and other cabinet level officers are responsible for administering and ensuring compliance with the hiring freeze. For those departments that are not represented by cabinet, Finance is responsible for ensuring compliance. To augment the existing ability to generate reports for monitoring compliance, the State Controller's Office's Personnel/Payroll Services Division will soon provide additional instructions to departmental human resources offices regarding the processing of transactions during the hiring freeze.

Questions regarding this Budget Letter should be directed to the following entities:

- Questions specific to individual departmental Hiring Freeze Exemption Requests should be directed to your Finance Budget Analyst.
- Technical guidance on provisions of, or the attachment to, this Budget Letter should be directed to Rachael LaFlam or John Hiber of the Department of Finance, Administration Unit, at (916) 445-3274, (CNET 485-3274).



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